

U.S. Department of Justice

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FOR IMMEDIATE RELEASE

December 6, 2005

FORMER LAW COLLEAGUE OF PHILADELPHIA MAYOR CHARGED WITH FRAUD AND EXTORTION

PHILADELPHIA – United States Attorney Patrick L. Meehan and F.B.I. Special Agent-in Charge Jack Eckenrode announced today that Leonard N. Ross, former law colleague of Philadelphia Mayor John Street and fundraiser for Street's mayoral campaigns, has been charged with fraud and extortion. The criminal information, filed this afternoon in federal court, stems from Ross's position as chairman of the selection committee for the Penn's Landing Corporation (PLC), a non-profit entity formed to assist the city and Commonwealth of Pennsylvania in the development of the city's waterfront area.

As chairman of the PLC selection committee, Ross led the effort of soliciting and evaluating proposals from real estate firms to develop the main, 13-acre site of Penn's Landing.

According to the information, from October 2002 to October 2004, Ross attempted to sell his office in three ways. First, he used the developer selection process to raise funds for Mayor Street's re-election campaign which, if successful, would preserve Ross's income. (Ross's financial well-being depended on Street winning re-election in 2003. Ross had a deal with a law firm that paid him \$10,000 a month but only as long as Street remained mayor. Ross claimed he could provide access to the mayor and other city officials.)

Ross used his authority as chairman to delay the time frame for selecting a developer because he wanted to make sure that competing firms had a chance to attend fundraisers for Street. Ross is heard on tape telling attorney Ron White, "If we eliminate them too soon, then we don't get their..." Prospective developers of Penn's Landing contributed more than \$50,000 to Street's campaign during the selection process.

Second, Ross used information gathered during the selection process to get White's help in obtaining a \$150,000 line of credit from Commerce Bank, where White served on the board of directors.

¹An Indictment or Information is an accusation. A defendant is presumed innocent unless and until proven guilty.

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Ross was in desperate need of a loan to repay a debt which he had incurred as a result of having improperly disbursed money that came from the settlement of a client's wrongful death suit. In exchange for White's help, Ross gave White inside information about the developer selection process and assisted White in attempting to extort a prospective developer with whom White was associated.

Third, Ross used his position to try and get a different prospective developer to hire the owner of a real estate management firm (identified in the information as person A) with whom Ross had a financial relationship.

On September 22, 2003, Ross met with a lobbyist retained by Brandywine Realty Trust and expressed his availability to support Brandywine's bid to be chosen as the developer of the main site of Penn's Landing. Ross then stated that person A was in the real estate development business and suggested that Brandywine should give business to that individual.

"Everyone loses," said Meehan. "The developers, the PLC, the city, and most of all, anyone who lives, works, or visits here. All you have to do is look and Penn's Landing and imagine what might have been had the public's assets been nurtured rather than manipulated."

If convicted, Ross faces a total maximum sentence of 80 years imprisonment, three years supervised release, a \$1 million fine, and a \$400.00 special assessment.

This case was investigated by the Federal Bureau of Investigation and has been assigned to assistant United States Attorneys Bea Witzleben and Richard Zack.

INFORMATION REGARDING THE DEFENDANT

NAME	ADDRESS	AGE OR DATE OF BIRTH
Leonard N. Ross	Philadelphia, PA	September 1947

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